

THE HONORABLE JOHN. H. CHUN

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

FEDERAL TRADE COMMISSION,
STATE OF NEW YORK, STATE OF
CONNECTICUT, COMMONWEALTH OF
PENNSYLVANIA, STATE OF DELAWARE,
STATE OF MAINE, STATE OF MARYLAND,
COMMONWEALTH OF MASSACHUSETTS,
STATE OF MICHIGAN, STATE OF
MINNESOTA, STATE OF NEVADA, STATE
OF NEW HAMPSHIRE, STATE OF NEW
JERSEY, STATE OF NEW MEXICO, STATE
OF OKLAHOMA, STATE OF OREGON,
STATE OF RHODE ISLAND, and STATE OF
WISCONSIN,

Plaintiffs,

v.

AMAZON.COM, INC., a corporation,

Defendant.

Case No. 2:23-cv-01495-JHC

**DECLARATION OF LAWRENCE
REICHER IN SUPPORT OF
DEFENDANT'S UNOPPOSED
MOTION TO SEAL COMMERCIALY
SENSITIVE INFORMATION
CONTAINED IN THE COMPLAINT**

I, Lawrence Reicher, declare as follows:

1. I am Corporate Counsel for Defendant Amazon.com, Inc. ("Amazon") and, as such, am an authorized representative of Amazon. The following facts are known to me personally, and if called upon as a witness, I could testify as to them competently. I make this Declaration in

1 support of Amazon's Motion to Seal Commercially Sensitive Information Contained in the
2 Complaint ("Motion to Seal").

3 2. I have reviewed the information that is the subject of Amazon's Motion to Seal,
4 namely the proposed redactions to the Complaint. These are listed by paragraph number in Exhibit
5 A to the Declaration of Carol J. Pruski ("Pruski Decl.") and highlighted in the sealed version of
6 the Complaint submitted as Exhibit B to the Pruski Declaration..

7 3. The information Amazon moves to seal is highly confidential and competitively
8 sensitive information, the disclosure of which could cause significant harm to Amazon.
9 Specifically, Amazon seeks to seal the following two categories of information: A) internal,
10 confidential details regarding Amazon's proprietary internal processes; and B) recent, highly-
11 sensitive, and confidential business metrics.

12 4. I submit this declaration to explain the sensitive nature of the information that is
13 the subject of the Motion to Seal and the harm I believe Amazon would suffer if this information
14 were publicly available.

15 5. Amazon would be prejudiced by the public filing of the unredacted version of the
16 Complaint because the public would have access to Amazon's private business information,
17 including the information detailed in Exhibits A and B. Because Amazon is a large, innovative
18 company that attracts substantial attention from the news media, there is a substantial probability
19 that such information would be disseminated widely. The retail market is highly competitive, with
20 many different players and potential new entrants seeking to offer retail, marketplace, fulfillment,
21 advertising, and subscription services, and dissemination of this highly confidential business
22 information could put Amazon at a business disadvantage relative to its competitors.

23 6. Amazon's request to seal is as narrowly tailored as possible to avoid causing harm.
24 For example, Amazon has distinguished between stale data and competitively relevant, recent data,
25 and it is seeking to redact only the latter. And Amazon has sought to seal only the specific numbers
26 of each business metric, as opposed to the surrounding context regarding that metric.

1 **A. Details of Amazon's Proprietary, Internal Processes**

2 7. Portions of the Complaint provide specific details regarding Amazon's internal
3 processes including its competitive monitoring program, its efforts to feature low prices in its store,
4 and its standards for brands selling in its store. Amazon devotes significant resources to
5 developing these proprietary processes and does not publicly disclose the details that are sought to
6 be sealed in Exhibit B to the Pruski Declaration.

7 8. The publication of this information would allow Amazon's competitors to gain
8 insight into the ways Amazon runs its business. By gaining access to information about Amazon's
9 proprietary and confidential programs, Amazon's competitors would have the ability to better
10 develop and position their businesses in the highly competitive retail market.

11 9. For every proposed seal in this category, Amazon has redacted only the very
12 minimal amount of information necessary to keep these internal details confidential.

13 **B. Recent, Highly-Sensitive, and Confidential Business Metrics**

14 10. Portions of the Complaint describe recent, highly-sensitive, and confidential
15 business metrics that fall into the following three categories:

16 11. Prime metrics—Amazon Prime is a program Amazon has invested heavily in
17 developing and which faces competition from many different areas of the retail environment. The
18 Complaint purports to contain non-public statistics regarding this program. This information can
19 be used by Amazon's competitors to more accurately target and optimize their efforts to recruit
20 Prime members away from Prime or develop competing services. Amazon would be
21 disadvantaged because it does not have similar information regarding their competitors'
22 businesses. For these metrics, Amazon has sought to seal only recent (and not historical)
23 information.

24 12. Revenue/profit metrics—As a publicly traded company, Amazon carefully
25 considers what financial information it reports. Yet, the Complaint purports to contain
26 measurements of Amazon's revenue and profit that Amazon does not publicly

disclose. Disclosure of the metrics referenced in these paragraphs may be relied on by investors, analysts, and competitors, and in turn have significant implications for Amazon. Moreover, these non-public metrics could be used by Amazon's competitors to determine, for example, particular areas of Amazon's businesses to target for their own strategic gain. For these metrics, Amazon has sought to seal only recent (and not historical) information.

13. Internal Study Results—Amazon conducts internal studies to evaluate how to conduct its business. The Complaint describes certain of those studies regarding Amazon's advertising program, and provides the specific result. Those results could give competitors insight into how Amazon makes decisions around advertising and how competitors could tailor their own advertising efforts to mimic or out-compete Amazon's. Contrary to the financial metrics discussed above—which naturally change each year and therefore become less sensitive as they become more historical—the results of these studies do not have a similar expiration date.

14. For each of the aforementioned categories, Amazon has sought to seal only the specific metric at issue, and none of the surrounding context.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct to the best of my knowledge.

Executed on October 27, 2023 at Washington, D.C.



LAWRENCE REICHER